

Finance Committee Minutes
Tuesday, October 1, 2019 || 4:00 PM
Keil Administration Building || Third Floor Conference Room

Members Present: Todd Covault; Dan Oakes; Beth Creighton (for Beth Nolan); Fred Bouchard; Jeff Dase; and Superintendent Fregeau

Others Present: Kay Geskey; Deanne Hillman; Andrew Taylor; Paula Busboom; and Mary Ann Schloz

The meeting was called to order at 4:00 PM.

Public Participation

Paula Busboom asked if the District is ahead or behind in Evidence Based Funding (EBF) payments from the State compared to this time last year. Covault explained that the District has received approximately \$2 million more in EBF appropriations this year compared to last year.

The minutes from the September 3, 2019 meeting were approved by acclamation.

Audit – Kyle Talleur with BKD

- Audit is not finalized yet
 - Audit still needs to go through final review
- Extension has been filed for October 15, 2019
 - Kyle is hopeful that the extension will not be needed
- Management Letter Items (required to report to Board)
 - Deficiencies only were found this year
 - Segregation of duties – carried over from previous five (5) years
 - Accounting Department limited staff
 - Non-Resident Tuition
 - Non-Resident student was approved to attend; no documentation as to who approved it; need to have a formal process in place to approve non-resident students
 - Administration is trying to put procedures in place that would go through the Student Services Department
 - Non-Resident tuition fee is set by annual financial report
 - Purchasing Procedures
 - Requisition entered following Board approval; but, prior to bidding
 - Some vendors went over \$25,000 limit; related to blanket orders in Buildings and Grounds department
 - Policies are in place but do not appear to be followed
 - Other Matter – Procurement Policy needed to be updated for OMB procurement standard
 - Working with IASB on getting policy updated
 - One past adjustment – Non-Capitalization of internal labor
 - Buildings and Grounds – Should be capitalized expense – Maintenance Department
- Final audit should be presented at the November 5th Board Meeting

Project Reconciliation

- Item was requested by President Nolan
- An example of reconciliation was presented to the committee
 - Pershing air conditioning

- Preliminary information will be provided in weekly update this week

Strategic Plan

- Document provided to committee requested by President Nolan
- Committee member asked – Where are we at with Skyward?
 - What problems did we find?
 - What are we going to do to make sure the problems are remedied and do not come back?
 - Software expertise to make computers talk to each other (Maurice and Josh)
 - How does Skyward sell their products to other Districts?
 - How soon do we need to start looking at Montessori data when we merge two schools?
- Committee will review document that was provided

Evidence Based Funding

- ISBE requires an annual report regarding the function of Evidence Based Funding within the District
- Report was due September 30th
- Covault thanked Kay Geskey and the team that worked on the report

Bond Underwriting

- Item was requested from President Nolan
 - Does Stifel have capacity to issue bonds?
- Stifel has issued \$11 billion in bonds from 2017-present
- Stifel has underwriting capacity to issue \$3.7 billion
 - \$55 million small section
- Question was asked – Has anyone locally approached regarding debt issuance?

Regional Office of Education (ROE) Lease Agreement

- Covault will finalize the ROE lease agreement once the rental area maps have been updated

Fraud Hotline

- As of yesterday (September 30) the Fraud Hotline is still not working
- Messages should go out to Beth Nolan, Courtney Carson, and Melissa Bradford once a message has been left on the fraud hotline

Meeting adjourned at 4:39 PM.